

Commencement Address at the University of Chicago in Chicago, Illinois
June 12, 1999

Thank you very much. President Sonnenschein, members of the faculty, distinguished guests; to the family and friends and the graduates. I was very interested to hear the account of William McKinley's trip here and wondering how many of you would rather it had rained. [Laughter] You wouldn't be so hot, and you'd be assured of a short speech. [Laughter]

Let me say to those who have spoken before, to the three student speakers and to Dr. Fuchs, I appreciate what you said, and I was very impressed by it. I'm also delighted to see Dr. Janet Rowley here, to whom I recently presented the National Medal of Science, a great tribute to her and to this great institution.

I got asked a lot of interesting questions by the students as they were passing by and were shaking hands. Some were wondering what I could possibly be thinking about as 850 of you went by. One of the things I was thinking about was, how can I make this speech shorter for you? [Laughter] And I would like to summarize what I came here to say.

Originally, I wanted to come here to talk about the global economy in which you will live and work and the society which embraces it and what challenges we face in shaping it in the best possible way. I know that is of concern to a lot of people here because so many of the graduates went by with their little white stickers that said, "Fair trade, not free trade: I signed the pledge." Right? You did? [Applause] That's what that means; that means that we're worried about this global economy. We're not sure it's working in a way that's fair.

And I would like to speak primarily about that, but I also would like to say just a word or two in the beginning about what is happening in Kosovo, because I think it is symptomatic of the world that you will or will not face.

Don't you think it's interesting—look around the senior class here, all of you that went through and got your degrees—as America grows more and more diverse, as we live in a world where, near as I can tell, the number of webpages on the Internet is growing by about a million a day, where soon the mysteries of the human genome will be unlocked and many

of you when you have your first children will be able to get a roadmap to your child's health and the problems in ways that will preserve life and quality of life in a manner undreamed of just a few years ago, that in all this modern age which embraces you and toward which you look, that the biggest problem the world has today is really the oldest problem of human society: We are naturally afraid of people who are different from us.

And it is quite an easy thing for fear to be transformed into hatred, to be transformed into dehumanizing the other, and then to be transformed into a justification for uprooting or killing them. That is what is going on in Kosovo.

We have—my administration and I, my wife and I, my Vice President and I—all of us have personally committed ourselves for over 6½ years now to working for peace in the Middle East, in Northern Ireland, anyplace in the world where the United States could be a positive force to get people to lay down their racial, their ethnic, their tribal, their religious hatreds.

We intervened militarily in Kosovo because I believe that when ethnic hatred and fighting turns into the mass slaughter and uprooting of totally innocent civilians, if we have the power to stop it, we ought to. It took us 4 years before action was taken in Bosnia when the same thing happened, and by that time a quarter of a million people had died, and 2½ million people had become refugees.

In Rwanda 700,000 people were slaughtered in just 100 days. We were caught flat-footed. And for 4 years I have worked to train the militaries of many African countries so that we can work together to stop anything like that from ever happening again on the continent of Africa.

And today the NATO forces, the British defense, the Americans, and others to come, soon to be nearly 30 countries, moved into Kosovo. We are determined to reverse the ethnic cleansing. We look forward to working with Russia and others who may not have agreed with our military campaign but do agree with the proposition that all the people of that tiny land, Serb and Albanian alike, should be able to live in

peace and dignity. You will have to decide. [Applause] Thank you.

One of the things that you will have to decide is how much you care about that. There are serious people who say that we should not have done this because, at least nominally, Kosovo is a part of Serbia; so no matter how lamentable the human suffering was, no one should have done anything about it. We should have just said, "We're very sorry. We wish you would stop. And if you want to do it, no one will stop you." I think that would have been a terrible mistake. But you will have to decide.

Soon all of you will be in the position of responsibility, of decisionmaking. But if you just look around at the people who got their diplomas today, people from every conceivable culture, every country, all kinds of racial groups, doubtless every conceivable political view, free people will normally work out their differences and their challenges in a good and satisfactory way if the rules of engagement are fair and decent and people treat each other with respect and honor their fundamental human dignity.

I believe we did a good thing in Kosovo. It is perhaps the first conflict ever fought where no one wanted any land or money or geopolitical advantage. We just wanted to stop and reverse ethnic cleansing and stand up for the proposition that in the 21st century world all of us ought to be able to live and work together. Even when we don't get along, even if we fight, the innocent civilians should not be swept up, en masse, as they were there. I hope you will uphold that principle when you're in a position to make decisions.

Now let me give you a summary of what I meant to say—I came here to say, about the economy. All of you are already, by definition, having graduated from this great university, guaranteed winners in the global economy. It's an interesting place. Why? For one thing, you're almost certainly far more computer literate than any of your parents, in a world that is linked together increasingly by ties of both communication and commerce.

The world is growing increasingly democratic, also increasingly digital, increasingly interactive. Listen to this: Every single day a half a million airline passengers, 1.4 billion E-mail messages, and \$1.5 trillion cross national borders. There are now over 7 billion E-mail messages every day just within the United States, but over a

billion cross national borders; over \$1½ trillion moving around the world every day.

This is a world economy the United States had a lot to do with creating and one from which we have, doubtless, richly benefited, with the strongest economy we have enjoyed perhaps in our entire history. But it is not an economy or a society free of challenges. So while we embrace the idea that free societies and free markets can create enormous economic opportunity, I wanted to come here to this campus, where long ago it was proclaimed that economic and political freedom are indivisible, to say that we now know, as a newer group of scholars here have told us, that the power and logic of the free market needs—to fully succeed—enduring, strong social institutions that preserve the integrity of work and family, of community and nation.

They do so by ensuring the integrity of the market, moderating the cycles of boom and bust, and building a social safety net and the opportunity for all to move up the ladder. A legal framework of mutual responsibility and social safety is not destructive to the market; it is essential to its success.

And all of us know that the problem with the new global economy is that it is both more rewarding and more destructive. More people are doing well, but more are also being left behind, sometimes whole countries left behind. The aggregate debt of sub-Saharan Africa, for example, today is twice the annual income.

So the question is, how can we create a global economy with a human face, one that rewards work everywhere, one that gives all people a chance to improve their lot and still raise their families in dignity and support communities that are coming together, not being torn apart?

It is, actually, the same question the United States was facing when President McKinley came here 100 years ago, except we were asking, "How can we create a national economy that can deal with this vast uprooting of people moving from the farm to the factory, from rural areas to the cities? How do we deal with the abuses of child labor? How do we deal with all the problems that were created when, to be sure, vast new opportunities were established, but there was so much churning change it was difficult to believe that there would be a net result in social justice for ordinary people?"

Well, through the Progressive Era, all the way through the New Deal, for more than 20 years,

the American people worked through their Government to try to develop a national economy with a human face.

What did they do? They created the Federal reserve law. They then created the regulatory agencies that preserve the integrity of our markets, the securities and exchange laws, the commodities laws that govern the Chicago commodities market. They created economic policies to moderate the cycle of boom and bust. And they created a social safety net to try to give everybody the chance to be a part of our life. They guaranteed the right of people to organize at work and to get a decent education. And after the Second World War, they opened up higher education to middle class people on a massive scale. And we're still living with the benefits in the United States of America.

Our task is to advance these same values in the international economy. I don't ask you to agree with my prescriptions, but I ask you to agree that this is a challenge. To pretend that all the answers are self-evident, after all we have seen just in the last 5 years, would be folly.

The first thing we have to do is to keep our own country on the cutting edge of progress and change. That means we have to continue legitimate investments in the research of tomorrow, just as Government support led to splitting the atom beneath Stagg Field a half a century ago, and Government support helped to create the Internet just a very few years ago, which set off a chain reaction that in its own way was more powerful than the chain reaction of the atom.

One study shows today the Internet economy generates \$300 billion in revenue, provides 1.2 million jobs. Seven new people join the Internet every second. So should the Government help to create the next generation of Internet, a thousand times faster than today, able to transmit the contents of the Encyclopedia Britannica every second? I think the answer is yes.

The spread of this technology to tens of millions of ordinary citizens will not only increase productivity; it will democratize economic opportunity. It will give us a freedom web in a world transformed.

The second thing we have to do is to figure out how to make the choice between the things on the sticker go away, free trade and fair trade. We have to figure out how to build a system that is both free and fair and not just for work-

ers in the United States but in other countries of the world.

I would like to say, first of all, a few facts. The United States has 4½ percent of the world's population, 22 percent of its income. We cannot sustain our standard of living unless we sell some things to other people. It won't happen.

Secondly, it is simply not true that trade has, on balance, been a negative for the United States or for other countries. Millions and millions, hundreds of millions of people have moved to middle class existences around the world because of more open borders and more open trade.

Third, it is true that trade can lead to disruptions and that some of them are not justified by economic forces. The problems facing the steel industry today, because of dumping into our markets after the collapse of the Asian economy and the Russian economy for the last 2 years, is a good example of that.

So the trick is to find a way, first of all, to help people who are unavoidably dislocated to start a new life if what they are doing cannot be sustained in the economy; secondly, to enforce our trade laws vigorously if people are unfairly discriminated against; and thirdly, to continue to expand trade but on terms that benefit all people.

I have long believed that a strong economy in a foreign land is not a threat to our jobs; it's a new market for America's products, an engine of human dignity and environmental preservation, a partner for peace and freedom and security. But I strongly believe that the only way to do that is to have trade agreements that lift everybody up, not pull everybody down. They shouldn't undermine labor rights or environmental standards. They should enhance labor standards and environmental protection all across the world.

Presidents have used trade talks to protect interests in intellectual property and interest in food safety. I want Congress to give me the ability to use trade talks to protect the environment and the rights of workers, as well.

I want us to stand for the right to organize against an end to forced labor and especially against abusive child labor. You know, in many, many communities around the world, tens of millions of children work in conditions that shock the conscience and send the products to us and to other wealthy countries.

Last year we increased by 10 times our efforts to stop abusive child labor around the globe. Today I'm directing all State and Federal agencies to make absolutely sure they're not buying any products of abusive child labor. Next week I am going to Switzerland to seek a worldwide agreement to ban the worst child labor in every nation in the world.

But I ask you to think about this. People will say, "Well, we're a poor country. We have to earn money however we can." If you could see the conditions these 8- and 9-year-old children are working in, if you want them to go to school, if you understand those countries will never grow until they begin to educate their children—the girls as well as their boys, which is a big issue in a lot of countries—we have to start with the abolition of child labor.

Meanwhile, I think we ought to continue to expand trade. We ought to enforce our agreements more vigorously. But I do not believe that a country with 4½ percent of the world's people can maintain its standard of living if we don't have more customers. We did it for a year last year, but we can't do it over the long run.

I want to do more with our friends in Africa and Central America and the Caribbean. I want to bring China into the World Trade Organization on fair and strong terms. I want to resist quotas but to vigorously enforce our trade laws. I do believe you can have fair and freer trade. But we'll have to work at it.

Very briefly, you heard me say that \$1½ trillion crosses national borders every day. There are now problems with the global financial economy, completely independent of the global trading system; \$1½ trillion is way more than the total value of trade in goods and services every day. There has become an independent market for money in itself, as you would imagine.

But what happens is, even though this free flow of capital has helped a lot of countries to grow wealthy, it has also increased the vulnerability to rapid ups and downs and shocks and instability. Over the long run, countries that have suffered in the last 2 years, like Korea and Thailand, are still much better off than they were 10 years ago. But we have to do more to tame the cycles of boom and bust in the global economy, and we are working hard on that.

I'm going to Europe next week to talk to the leaders of the large industrial nations about

the other steps we have to take. We have to spread the benefits of global growth more widely. It is in our interests for other countries to do better. The global community cannot survive as a tale of two cities: one modern and integrated, a cell phone in every hand, a McDonald's on every street corner; the other mired in poverty and increasingly resentful, covered with public health and environmental problems no one can manage.

We have to widen the circle of opportunity. We should invest more in the education of children around the world. We should invest more in helping people deal with public health problems, like AIDS, and helping people turn back their serious environmental problems. And we must reduce the burden of debt on the poorest countries of the world.

Today our Treasury Secretary, Bob Rubin, is putting forth a proposal to more than triple debt relief for the world's poorest nations and then to target the savings they will get to the education, health care, and alleviation of poverty of their citizens. It is a good thing, and I hope the people of the United States will support it.

Finally, I believe perhaps the greatest thing that will occupy you for the next 20 to 30 years on this front is the need to find a way to grow the global economy and to continue to improve the environment and, specifically, to reduce greenhouse gases so that we can avert further global warming.

It's interesting to me that some people say this is not a problem at all, and others say it can only be solved by actions that will weaken our economy. I disagree. We now have the technology—for the first time in history, in the last few years, we have the technology to grow a big economy without industrial-age energy use.

This is a university of big ideas. If you want to leave here with just one idea, don't let anybody convince you that the only way America can have a strong economy, the only way India can grow its economy, the only way China can grow its economy is to maintain the same sort of energy use patterns, with huge emissions of greenhouse gases making big contributions to global warming, that we used for the last 50 years. It is not true.

And I have asked the Congress to provide tax incentives to the private sector and further research, to make sure we can make this technology widely available. I issued an order last

week to the Federal Government that will cut our greenhouse gas emissions in Federal buildings by 30 percent over the next few years. I'm telling you, we can do this on presently available technology.

But we are in the grip of an old idea. Many people in America are. People all over the world are. We have got to join together to learn how to alleviate poverty around the world, expand the middle class everywhere, provide more economic opportunity for all of you who are so well-positioned, and still understand that we can reduce pollution and environmental problems and global warming. It is not true anymore that you have to destroy the environment to grow the economy, and you can lead the charge in turning the world away from that.

But that's what I want to say to you about the economy you're moving into. We have not made the adjustments to put a human face on the global economy that we made in the early decades of this century to put a human face on our national economy. It will require a trading system that is both freer and fairer. It will require the alleviation of debt in the poorest

countries. It will require the respect of environmental and labor rights in all countries. It will require new investments in education and health care.

It will require a genuine commitment—a genuine commitment—to the proposition that societies should be free, but they should be coherent; that we should always be able to balance work with family and community; and that what unites us is profoundly more important than all of our differences. I hope that that is the world of your future, the world that you will make.

Thank you, congratulations, and God bless you.

NOTE: The President spoke at 12:50 p.m. in the quad at the University of Chicago. In his remarks, he referred to Hugo F. Sonnenschein, president, Elaine Fuchs and Janet D. Rowley, professors, and Ana Christina Faria, Thymaya O'Brien Payne, and Michael Rossman, students, University of Chicago. The Executive order of June 12 on child labor and the Executive order of June 3 on Government energy management are listed in Appendix D at the end of this volume.

Remarks to the Illinois Air National Guard in Chicago *June 12, 1999*

Thank you very much. General Keistler, General Rezac, General Austin, ladies and gentlemen, it's a great honor for me to be here today with the men and women of the 126th Air Refueling Wing and its supporting units, the 217th Engineering and Installation Squadron, the 264th Combat Communications Squadron, the 566th Air Force Band, with all the families and friends.

I know this is an emotional day for you. This has been a very important installation to the people of Chicago. And when I told Hillary what I was doing today, she was very jealous that she couldn't be here with me, but she's in California bringing our daughter home from school. Those of you who've had your children go off to school know that's a pretty big day. But I am profoundly honored to be here at your final coming together before the Wing goes to Scott Air Force Base and others go to Peoria and to Springfield.

I wanted to come here more than anything else to thank you for your many years of service. I know the people of Chicago will miss you and that they, too, are especially grateful for their Chicago Air Guard. You have been a very important part of the life of this city, as well as the defense of your country. I know many of you must be relieved that the transition is almost over, not to have to make the umpteenth trip between here and Belleville. But I wanted to say that as difficult as it might be, this move, I believe, will work out well for all concerned. It will clearly be good for the economy of the city of Chicago, for the Air National Guard, and for our military because, as all of you know, in order to maintain the quality of life of our service personnel and to have adequate funds for modernization to keep our forces ready to defend freedom, we have to streamline our infrastructure.